

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF COLUMBIA)	CASE NO. 9554-A
GAS OF KENTUCKY, INC.)	

O R D E R

On November 14, 1986, the Commission issued its Order in Case No. 9554 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On August 13, 1987, Columbia Gas of Kentucky, Inc. ("Columbia"), filed its revised semi-annual gas cost adjustment which is to become effective September 1, 1987.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

1. Columbia's notice of August 13, 1987, set out certain revisions in rates which Columbia proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its suppliers in the amount of \$12,671,022 or 70.16 cents per Mcf.

2. Columbia Gas Transmission Corporation has filed revised rates with the Federal Energy Regulatory Commission to be effective September 1, 1987.

3. Columbia's notice set out a Special Interim Agency Service ("SIAS") refund adjustment of .4 cents per Mcf. This adjustment returns a portion of Columbia's SIAS revenues to its customers.

4. Columbia's proposed gas cost recovery rate is a decrease of 42.76 cents per Mcf. This decrease represents the combined effect of the supplier decrease, actual cost, balancing and refund adjustments.

5. Columbia's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9554, dated November 14, 1986, is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1987.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 1, 1987.

2. Within 30 days of the date of this Order Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 31st day of August, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Herman, Jr.
Chairman

[Signature]
Vice Chairman

Spence M. Williams
Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9554-A DATED 8/31/87

The following rates and charges are prescribed for the customers served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

CURRENTLY EFFECTIVE BILLING RATES

	Base Rate Charge \$	Gas Cost Adjustment <u>1/</u> \$	Total Billing Rate \$
RATE SCHEDULE GS			
Customer Charge:			
Residential	4.00		4.00
Commercial or Industrial	10.00		10.00
Volumetric:			
First 2 Mcf/Month	1.2652	3.5027	4.7679
Next 48 Mcf/Month	1.2352	3.5027	4.7379
Next 150 Mcf/Month	1.2052	3.5027	4.7079
All Over 200 Mcf/Month	1.1752	3.5027	4.6779
RATE SCHEDULE FI			
Customer Charge:	100.00		100.00
Customer Demand Charge:			
Demand Charge times Firm Mcf Volume in Customer Service Agreement		6.8070	6.8070
Commodity Charge-All Volume	0.3942	3.5027	3.8969

RATE SCHEDULE IS

Customer Charge:	100.00		100.00
Commodity Charge	0.3942	3.5027	3.8969

RATE SCHEDULE IUS

For all Volumes Delivered each Month	0.0912	3.5027	3.5939
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1/ The Gas Cost Recovery Rate, as shown, is an adjustment per Mcf determined in accordance with the "Semi-Annual Gas Cost Adjustment Clause" as set forth on Sheets 80 through 83 of this tariff.

The base rates for the future application of the purchased gas adjustment clause are:

Columbia Gas Transmission Corporation

<u>Zone Land Zone 3 Rate Per Dth</u>	<u>Demand</u>	<u>Commodity</u>
Schedules CDS and G	5.155	2.266
Schedule WS		
Demand	2.916	
Winter Contract Quantity	2.72	